

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

HOUSE ENROLLED ACT No. 1424

AN ACT to amend the Indiana Code concerning economic development.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 4-12-10 IS ADDED TO THE INDIANA CODE AS A **NEW CHAPTER** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]:

Chapter 10. Indiana Economic Development Partnership Fund

Sec. 1. As used in the chapter, "center" refers to a regional technology center established under section 4 of this chapter.

Sec. 2. As used in this chapter, "fund" refers to the Indiana economic development partnership fund established by section 3 of this chapter.

Sec. 3. (a) The Indiana economic development partnership fund is established to provide grants for economic development initiatives that support the following:

- (1) The establishment of regional technology centers for the creation of high technology companies and for the support of workforce development.
- (2) The providing of leadership and technical support necessary for the centers' start-up operations and long term success.
- (3) The expansion of the Purdue Technical Assistance Program in ten (10) geographic regions of Indiana.
- (4) The creation of a rural/community economic development regional outreach program by Purdue University.

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(5) The expansion of workforce development for high technology business development through the centers.

(b) The fund shall be administered by the budget agency. The fund consists of appropriations from the general assembly and gifts and grants to the fund.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(d) The money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund to be used exclusively for the purposes of this chapter.

Sec. 4. (a) The budget agency, after review by the budget committee, shall do the following:

(1) Review, prioritize, and approve or disapprove proposals for centers.

(2) Create detailed application procedures and selection criteria for center proposals. These criteria may include the following:

(A) Geographical proximity to and partnership agreement with an Indiana public or private university.

(B) Proposed local contributions to the center.

(C) Minimum standards and features for the physical facilities of a center, including telecommunications infrastructure.

(D) The minimum support services, both technical and financial, that must be provided by the centers.

(E) Guidelines for selecting entities that may participate in the center.

(3) Develop performance measures and reporting requirements for the centers.

(4) Monitor the effectiveness of each center and report its findings to the governor and the budget committee before October 1 of each even-numbered year.

(5) Contract with Purdue University for any staff support necessary for the budget agency to carry out this chapter.

(6) Approve a regional technology center only if the center agrees to do all of the following:

(A) Nurture the development and expansion of high technology ventures that have the potential to become high growth businesses.

(B) Increase high technology employment in Indiana.

(C) Stimulate the flow of new venture capital necessary to

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support the growth of high technology businesses in Indiana.

(D) Expand workforce education and training for highly skilled, high technology jobs.

(E) Affiliate with an Indiana public or private university and be located in close proximity to a university campus.

(F) Be a party to a written agreement among:

(i) the affiliated university;

(ii) the city or town in which the proposed center is located, or the county in which the proposed center is located if the center is not located in a city or town;

(iii) Purdue University, for technical and personnel training support; and

(iv) any other affiliated entities;

that outlines the responsibilities of each party.

(G) Establish a debt free physical structure designed to accommodate research and technology ventures.

(H) Provide support services, including business planning, management recruitment, legal services, securing of seed capital marketing, and mentor identification.

(I) Establish a commitment of local resources that is at least equal to the money provided from the fund for the physical facilities of the center.

(b) The budget agency may not approve more than five (5) regional technology centers in any biennium.

Sec. 5. (a) An approved center must establish a local advisory board. The advisory board shall establish operating policies and select entities to locate in the center in accordance with the selection guidelines established by the local advisory board. A local advisory board must include an appointee of the following:

(1) The executive of the city or town in which the proposed center is located or the county in which the proposed center is located if the center is not located in a city or town.

(2) The president of the affiliated university.

(3) Representatives of local business, industry, and labor.

(b) Except as provided in subsection (a), the size and membership of a center's local advisory board are at the discretion of the center.

Sec. 6. (a) If a center is approved by the budget agency, the budget agency shall allocate from available appropriations the money authorized to:

(1) subsidize construction or rehabilitation of the physical

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facilities; and

(2) cover operating costs, not to exceed two hundred fifty thousand dollars (\$250,000) each year, until the center is self-sustaining or has identified another source of operating money or the amount appropriated for this purpose is exhausted.

(b) Operating costs may not be supported by the fund for any center for more than four (4) years.

Sec. 7. (a) As Indiana's land grant university, Purdue University has developed the expertise to provide leadership, assistance, technical support, and personnel training support for developing centers. This service shall be provided to each center during the start-up phases for the center, after which the local personnel shall provide the services to local companies, with minimal continued technical support from Purdue University.

(b) Purdue University shall do the following:

(1) Assist center personnel in establishing key components and methodology to identify, prepare, develop, and incubate technology based companies.

(2) Assist local communities in planning, feasibility studies, and proposal development before the submission of a proposal to the budget agency.

SECTION 2. [EFFECTIVE JULY 1, 2001] (a) Any money appropriated for the Indiana economic development partnership fund established by IC 4-12-10-3, as added by this act, must be used to carry out the purposes of this act, after review by the budget committee and approval by the budget agency, and shall be allocated in the following manner:

(1) Not more than eleven and seven-hundredths percent (11.07%) of the money may be allotted for start-up operating costs subsidies to new regional technology centers under IC 4-12-10, as added by this act, for any biennium.

(2) A single regional technology center:

(A) may not receive more than three and sixty-nine hundredths percent (3.69%) of the money in total start-up operating subsidies; and

(B) may receive start-up operating subsidies for not more than four (4) years.

(3) A single regional technology center may not receive more than eleven and seven-hundredths percent (11.07%) of the money to subsidize construction or rehabilitation of physical facilities.

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(4) Not more than eleven and seven-hundredths percent (11.07%) of the money may be allotted for the expansion of the Purdue Technology Center at the Purdue Research Park, which shall serve as the statewide service and support center for regional technology centers.

(5) Not more than ninety-two hundredths percent (0.92%) of the money may be used by the budget agency to carry out its duties under this act, including payments under a contract for staff services with Purdue University.

(6) Not more than four and seventeen-hundredths percent (4.17%) of the money may be allotted for the expansion of the gateway support services program at Purdue Technology Center to provide training and technical support to newly created regional technology centers.

(7) Not more than six and sixty-eight hundredths percent (6.68%) of the money may be allocated to Purdue University for the expansion of the university's technology assistance program that provides university based business assistance. This allocation is for the biennium beginning July 1, 2001, and ending June 30, 2003, and is in addition to any other appropriations or allocations.

(8) Purdue University shall enter into partnerships with higher education institutions in Evansville, Fort Wayne, Indianapolis, Kokomo, New Albany, Hammond, South Bend, Terre Haute, and the Muncie/Anderson/Richmond area to deliver technical assistance services. A data base of faculty expertise shall be maintained for higher education institutions for possible assistance in particular geographical areas. Purdue University shall present a report to the budget committee before September 1, 2001, with details on the planned expansion of the technical assistance program. This report must include the following:

- (A) A list of locations for technology assistance offices.
- (B) The geographic region served or to be served by each technology assistance office.
- (C) Evidence that all areas of the state will be effectively served by the expanded program.
- (D) The services that will be offered through the expanded program.
- (E) The number of personnel at each technology assistance office and the compensation of each position.
- (F) A breakdown of the operating and overhead costs for



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each technology assistance office.

(9) Not more than seven and thirty-eight hundredths percent (7.38%) of the money may be allotted to Purdue University for the creation of a rural/community economic development regional outreach program. This money must be used to provide specialists in community/economic development to rural and less populated areas of Indiana to focus on assisting local leadership, local and regional economic development personnel, and other providers of service on community and economic development issues. Purdue University shall present a report to the budget committee before September 1, 2001, with details on the planned rural/community economic development outreach program. The report must include the following:

- (A) A list of locations for outreach offices.**
- (B) The geographic region served or to be served by each outreach office.**
- (C) Evidence that all areas of Indiana will be effectively served by the program.**
- (D) The services that will be offered by the program.**
- (E) The number of personnel participating in the program and the level of compensation for each position.**
- (F) A breakdown of the operating and overhead costs for the services.**

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Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Approved: _____

Governor of the State of Indiana

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